



ARKANSAS DEVELOPMENT FINANCE AUTHORITY
Homeownership Program
EXHIBIT 6-G

Submission Exhibit:
 Printing from IRS will
 auto populate fields in
 red. Use with
 Advantage, Move-Up,
 Move-Up Choice.
 Includes DPA

PRELIMINARY COMPLIANCE PACKAGE CHECKLIST

BORROWER: _____ **CO-BORROWER:** _____

ADFA NUMBER: _____ **DPA NUMBER:** _____

In connection with the ADFA Homeowner Program, the following documents are attached for your review and issuance of Compliance Certificate (EXHIBIT 6-H)

- ____ Typed Certificate of Compliance (Exhibit 6-H)
- ____ Copy of all automated underwriting findings or loan approval signed by underwriter
- ____ Typed loan application with all correct information, signed and dated by borrower(s). (If typed application is not signed submit both typed copy and initial signed application)
- ____ Typed DPA or ADDI loan application (if applicable)
- ____ Loan Estimate dated within 3 days of application for first mortgage and DPA or ADDI, if applicable
- ____ Copy of credit report
- ____ Copy of Real Estate Contract-Signed and dated by all parties
- ____ Copy of Verification of Employment or Verbal Verification of Employment from lender verifying dates of employment and person's full name and title of position within the company giving the information
- ____ Copy of recent (within 30 days) paystubs showing year to date totals
- ____ For Self Employed borrower(s)-provide past 2 years federal tax returns with 1099(s) and/or W-2's and a current Profit and Loss Statement signed and dated certifying as true and correct

- ____ Original Exhibit 5-A-Mortgagor's Application Affidavit and Certification- Must be completed and signed by all application residing in the home who are 18 years or older
- ____ Original Exhibit 5A-1 (if applicable)-Occupant Affidavit and Certification must be completed and signed by all non-loan applicants (including spouse) who will be residing in home who are 18 years or older
- ____ Original Exhibit 5-C-Notice to Buyers (For FHA and RD loans only)
- ____ Signed and Dated Federal Tax Returns and accompanying W-2's for most recent tax year **IF PURCHASING IN A NON-TARGETED COUNTY**. IRS Transcripts may be submitted in lieu of copy of tax returns
- ____ Original Exhibit 5-B (if applicable) for borrowers who were not required to file tax return in the most recent tax year
- ____ Copy of complete appraisal

THE UNDERSIGNED MORTGAGE LENDER CERTIFIES THAT THIS MORTGAGE LOAN IS ELIGIBLE FOR CONSIDERATION UNDER THE PROGRAM DESCRIBED WITHIN THIS DOCUMENT. I HAVE VERIFIED THESE ITEMS AS THEY PERTAIN TO ADFA RESTRICTIONS. I UNDERSTAND THAT MY SIGNATURE BELOW INDICATES THAT ALL ITEMS HAVE BEEN SUMITTED AND ARE COMPLETE.

Contact person's name
should always appear
here, signed and dated

Loan Processor/Authorized Signature

Name

Date



ARKANSAS DEVELOPMENT FINANCE AUTHORITY
Homeownership Program
EXHIBIT 6-H



Submission Exhibit for Advantage, Move-Up, Move-Up Choice. Printing from IRS will auto populate fields on the form. Make sure all information on the 6-H is correct.

ADFA CERTIFICATE OF COMPLIANCE

Name of Lending Institution	ADFA Number	DPA Number
Mailing Address - P O Box or Street & Number	ADFA Lender Number	
City/State/Zip Code	Telephone Number	Fax Number
Contact Person for This Loan	Email Address	

NAME OF BORROWER: _____

NAME OF CO-BORROWER: _____

PROPERTY ADDRESS: _____
(Street & Number As on Note and Mortgage)

(City/State/Zip Code)

LOAN AMOUNT: \$ _____	LOAN RATE: _____
DPA LOAN AMOUNT: \$ _____	DPA INTEREST RATE: _____
COUNTY PROPERTY LOCATED: _____	EXPECTED CLOSING DATE: _____
LOAN TYPE: _____	

The above referenced loan file has been reviewed and found to be in compliance with the requirements Of the Internal Revenue Code of 1986 as amended and Arkansas Development Finance Authority's Regulations. THIS SIGNED APPROVAL DOES NOT GUARANTEE PURCHASE BY THE MASTER SERVICER.

The Mortgage Loan shall be closed in accordance with the guidelines set out in the Program Guide and The Mortgage Origination Agreement.

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

DATE: _____ By: _____

Mortgage Bond Compliance Analyst
Telephone Number: (501)682-5900

LOANS MUST CLOSE, BE DELIVERED & CONDITIONS CLEARED BY ADFA NO LATER THAN: _____

LOANS MUST BE PURCHASED BY MASTER SERVICER BY: _____

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
ADFA ADVANTAGE
EXHIBIT 5-A**

Applicaition
Exhibit
All blanks
completed.
Original
Signature of
Borrower(s) is
required and
should include
property
address.

BORROWER'S CERTIFICATE AS TO INCOME

Ladies and Gentlemen:

I understand that HOUSEHOLD INCOME includes total income from all sources (before taxes or withholding) of all adult persons residing or intending to reside in the Single Family Residence to be financed with the proceeds of the Mortgage Loan. The total number of all persons who will reside or intend to reside in this Single Family Residence is _____. The total number of all persons 18 years old or older who will reside or intend to reside in this Single Family Residence is _____. Household Income is defined as the "current household income of a potential Mortgagor, and shall in any event include the current gross income of all persons who reside or intend to reside with such Mortgagor in the same dwelling unit (other than persons under 18 years of age who are not primarily liable or secondarily liable on the Mortgage Note), but exclusive of the income of any CO-SIGNER of a Mortgage Note who does not reside or intend to reside therein, as evidenced by documentation satisfactory to the "Authority." The information contained in the loan application is information relevant to a determination of my annual Household Income as the date hereof, and to the best of my knowledge and belief. Current gross income is gross monthly income multiplied by twelve (12). Gross monthly income is the sum of monthly gross pay, any additional income from overtime, part-time employment, bonuses, commissions, dividends, income from assets, interest, royalties, shift differential, pensions, VA compensation, net rental income, etc., and other income such as alimony, child support, mileage, military allowance, public assistance, sick pay, social security benefits, unemployment compensation, income received from trusts, and income received from business activities or investments, etc.

As defined above, my annual Household Income is \$ _____. I do not expect such annual Household Income to change within the next 180 days. This amount includes the annual income of all persons age 18 years and older who intend to occupy the mortgaged property.

BORROWER:

CO-BORROWER:

(x) _____

(x) _____

Name: _____

Name: _____

Date: _____

Date: _____

PROPERTY ADDRESS:

(MAILING ADDRESS/STREET & NUMBER) (AS ON NOTE & MORTGAGE)

(CITY/STATE/ZIP CODE)

**THIS DOCUMENT MUST BE EXECUTED BY BORROWER AND CO-BORROWER
AT TIME OF LOAN APPLICATION**

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
ADFA ADVANTAGE
EXHIBIT 5 A-1

NON-BORROWER OCCUPANT INCOME AFFIDAVIT

The undersigned, Non-Borrower Occupant Name duly states under oath that:

→ 1. I intend to be an occupant of the residence located at : Property Address including zip code.

→ 2. My gross monthly income is \$ fill in amount (Gross monthly income is the sum of monthly gross pay, any additional income from overtime, part-time employment, bonuses, commissions, dividends, income from assets, interest, royalties, shift differential, pensions, VA compensation, net rental income, etc., and other income such as alimony, child support, mileage, military allowance, public assistance, sick pay, social security benefits, unemployment compensation, income received from trusts, and income received from business activities or investments, etc.).

3. Three years of Federal Income Tax Returns are required.

→ I am providing tax returns with W-2's attached for the following years: ; ; . Current tax year required

I have not filed, and was under no obligation to file, the following income tax years: ; ; .

4. (CHECK APPROPRIATE RESPONSE). I have I have not had a present ownership interest in a principal residence of mine at any time during the three-year period prior to the date of executing the mortgage on said residence.

←
check
appropriate
box

I UNDERSTAND THAT FOR THE PURPOSES OF THE FOREGOING, EXAMPLES OF INTERESTS WHICH CONSTITUTE A PRESENT OWNERSHIP INTEREST (AND THUS WOULD RESULT IN MY NOT MEETING SUCH REQUIREMENTS) ARE THE FOLLOWING:

- a. A fee simple interest;
- b. A joint tenancy, a tenancy in common, or a tenancy by the entirety;
- c. The interest of a tenant-shareholder in a cooperative;
- d. A life interest;
- e. A land contract (i.e., a contract pursuant to which possession and the benefits of ownership transferred although a legal title is not transferred until some later date);
- f. An interest held in trust for the mortgagor (whether or not created by the mortgagor) that would constitute ownership interest if held directly by the mortgagor;

EXHIBIT 5 A-1
Page 2

- g. A lease with an option to purchase for a nominal sum; and
- h. An interest in a mobile home that has been, and is now, permanently affixed to real property.

EXAMPLES OF INTEREST WHICH DO NOT CONSTITUTE PRESENT OWNERSHIP INTEREST AND THUS WOULD NOT RESULT IN MY FAILING TO MEET THE REQUIREMENTS ARE THE FOLLOWING:

- a. A remainder interest;
- b. A lease without an option to purchase or a lease with an option to purchase at fair market value;
- c. A mere expectancy to inherit an interest in a principal residence;
- d. The interest that a purchaser of a residence acquires on the execution of a purchase contract;
- e. An interest in other than a principal residence during the previous three years;
- f. An interest in a mobile home that has not been, and is not now, permanently affixed to a real property.

OCCUPANT (x) _____
Name: _____
Date: _____



Non Borrower
occupant to sign
and have
notarized.
Original
signatures
required.

ACKNOWLEDGMENT



STATE OF ARKANSAS)
COUNTY OF _____)

On this _____ day of _____, 20____, before me, a Notary Public within and for the said County and State, personally appeared _____ to me known to be the person(s) described therein and who, being by me first duly sworn, executed the foregoing Occupant's Income Certification Affidavit, and acknowledged, deposed and said that he/she/they executed the same as his/her/their free act and deed and stated that the information and certifications contained therein are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this _____ day of _____, 20____.

Notary Public

My Commission Expires:

(SEAL)

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
ADFA ADVANTAGE
EXHIBIT 5-B

BORROWER'S APPLICATION AFFIDAVIT AND CERTIFICATION

The undersigned, Borrower name,
duly states under oath that:

1. I am a purchaser and mortgagor (the "Borrower") of the residence located at Property Address
and legally described as follows:

Legal Description:

2. I either occupy such residence (or one unit of the duplex constituting such residence) as my principal residence, or I will do so in within sixty (60) days of the date the Mortgage Loan is executed, and I will maintain such property (or units) as my principal residence. (If a duplex, property was occupied as a residence at least five (5) years prior to the date hereof).
3. No part of the Mortgage Loan proceeds is being or will be used to acquire or replace an existing mortgage loan, and I did not have a mortgage loan (whether or not paid off) on said residence at any time prior to the execution of the Mortgage Loan (except that I may have a construction period loan or temporary initial financing of 24 months or less with the respect to the residence and may use the proceeds of the Mortgage Loan to repay such financing).
4. The purchase price of the residence is \$ or less. I understand that for the purpose of the foregoing Purchase Price of the residence is the cost of acquiring the residence from the seller as a completed residential unit. The acquisition cost includes:

Sales Price not
to exceed
\$250,000

- a. All amounts paid, either in cash or in kind, by the purchaser (or a related party or for the benefit of the purchaser) to the seller (or a related party or for the benefit of the seller) as a consideration for the residence (including the payment or assumption of any liability for a debt of the seller). The residence includes all property that is a fixture. The purchase price also includes the acquisition cost of any other item in excess of the fair market value.
- b. If a residence is incomplete, the reasonable cost of completing the residence whether or not the cost of completing construction is to be financed with the proceeds of the Mortgage Loan.
- c. (DELETE IF NOT APPLICABLE). Where a residence is purchased subject to a ground lease, the capitalized value of the ground lease, using the discount rate provided by the Arkansas Development Finance Authority ("Authority").


/s/
Initial

EXHIBIT 5-B

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The acquisition cost does not include:

- d. The usual and reasonable settlement or financing costs. Settlement costs include titling and transfer costs, title insurance, survey fees, or other similar costs. Financing costs also include credit reference fees, legal fees, appraisal expenses, "points" which are paid by the purchaser or other costs of financing the residence.
- e. The value of services performed by any purchaser's family in completing the residence. For purposes of the preceding sentence, the family of an individual includes only the individual's brothers and sisters (whether by whole or half blood), spouse, ancestors, and lineal descendants.
- f. The cost of land, which has been owned by any purchaser for, at least two (2) years prior to the date on which construction of the residence began.

 5. (CHECK APPROPRIATE RESPONSE). I have I have not had a present ownership interest in a principal residence of mine at any time during the three-year period prior to the date on which I will be executing the Mortgage on said residence, and to the best of my knowledge, the same is true with respect to each other person (if any) purchasing and mortgaging said residence with me.

Cannot have owned another home in the last 3 years for Advantage unless property is located in a Targeted County

I UNDERSTAND THAT FOR THE PURPOSES OF THE FOREGOING, EXAMPLES OF INTERESTS WHICH CONSTITUTE A PRESENT OWNERSHIP INTEREST (AND THUS WOULD RESULT IN MY NOT MEETING SUCH REQUIREMENTS) ARE THE FOLLOWING:

- a. A fee simple interest;
- b. A joint tenancy, a tenancy in common, or a tenancy by the entirety;
- c. The interest of a tenant-shareholder in a cooperative;
- d. A life interest;
- e. A land contract (i.e., a contract pursuant to which possession and the benefits of ownership transferred although a legal title is not transferred until some later date);
- f. An interest held in trust for the mortgagor (whether or not created by the mortgagor) that would constitute ownership interest if held directly by the mortgagor;
- g. A lease with an option to purchase for a nominal sum; and
- h. An interest in a mobile home that has been, and is now, permanently affixed to real property.

EXAMPLES OF INTEREST WHICH DO NOT CONSTITUTE PRESENT OWNERSHIP INTEREST AND THUS WOULD NOT RESULT IN MY FAILING TO MEET THE REQUIREMENTS ARE THE FOLLOWING:

- a. A remainder interest;
- b. A lease without an option to purchase or a lease with an option to purchase at fair market value;
- c. A mere expectancy to inherit an interest in a principal residence;

EXHIBIT 5-B

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- d. The interest that a purchaser of a residence acquires on the execution of a purchase contract;
 - e. An interest in other than a principal residence during the previous three years;
 - f. An interest in a mobile home that has not been, and is not now, permanently affixed to a real property.
6. The residence contains no more than two separate family dwelling units, if there are two units, one unit must have been used as a residence for 5 years, and one of the units must be occupied by the borrower as his or her principal residence.
7. I WILL **NOT** PERMIT ANY PERSON TO ASSUME MY OBLIGATIONS UNDER THE MORTGAGE (AND RELATED MORTGAGE NOTE), NOR WILL I TRANSFER TITLE TO THE RESIDENCE (EXCEPT AS SET FORTH IN THE MORTGAGE), UNLESS SUCH PERSON SATISFIES THE FOREGOING REQUIREMENTS, AND UNLESS THE PURCHASE PRICE OF THE RESIDENCE DOES **NOT** EXCEED THE MAXIMUM PURCHASE PRICE ALLOWED BY ADFA AND SUCH PERSON SO STATES UNDER OATH.

The purchase price limitation, which is required by the federal tax laws, may be a lower number at the time of the assumption than was in effect at the time of the ORIGINAL purchase. This may occur in the case of the purchase of a newly constructed home. If such home has not previously been occupied (i.e., at the time of ORIGINAL purchase), such home is subject to the maximum purchase price for the "new construction." However, because such home will have been previously occupied at the time of a subsequent assumption, such home will be subject to the maximum purchase price for an "existing home." This is the case if the ORIGINAL purchaser occupied the home for any period of the time (i.e., technically even one day).

- /
Initial
8. (DELETE THE FOLLOWING IF MORTGAGOR FILED FEDERAL INCOME TAX RETURNS). I have not filed, and was under no obligation to file, federal tax returns, for the following income tax years: _____.
- /
Initial
9. (DELETE THE FOLLOWING IF MORTGAGOR RESPONDED TO ITEM 8).
I have filed federal income tax returns for the most recent tax years.
10. I do not expect to use more than 15% of the total area of the residence in a trade or business.
11. I recognize and acknowledge (i) that the indebtedness evidenced by the Mortgage Note and secured by the Mortgage is being funded by the Authority, and by the issuance of mortgage revenue bonds by the Authority, and (ii) that in order that the funding may be effected on the terms provided by the Mortgage Note and the Mortgage, the revenue bonds of the Authority are issued in compliance with certain provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations issued and proposed thereunder; and (iii) that it is pursuant to those provisions of said Code and Regulations that the certifications and requirements set forth above (including, without limitation, those set forth in paragraph 7), are made and agreed to.



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- Original
signature(s)
required

CO-BORROWER:

(x) _____
Name: _____
Date: _____

STATE OF ARKANSAS)
COUNTY OF _____)

to me known to be the person(s) subscribed therein and who, being by me first duly sworn, executed the foregoing Borrower's Affidavit and Certification, and acknowledged, deposed and said that he/she/they executed the same as his/her/their free act and deed and stated that the information and certifications contained therein are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this _____ day of _____, 20____.

Notary Public

(SEAL)

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
ADFA ADVANTAGE
EXHIBIT 5-C**

NOTICE TO BORROWERS

THIS NOTICE IS FOR FHA AND RURAL DEVELOPMENT HOMEBUYERS

Your home purchase is being financed with a Mortgage Loan made available with the assistance of the Arkansas Development Finance Authority ("Authority"). This Mortgage Loan is made at an interest rate below what is usually being charged. Because of this, your Mortgage provides that you cannot sell your home to a person ineligible for the assistance from the Authority, unless you pay your loan in full. If you sell your home to a party ineligible for the Authority's assistance, the Authority may demand immediate full repayment of the Mortgage Loan. This could result in foreclosure of your Mortgage and repossession of the property. In addition, if you rent the property or committed fraud or intentionally misrepresented yourself when you applied for the Mortgage Loan, the Mortgage Lender may foreclose your Mortgage and repossess the property. If the Mortgage Lender takes your home through foreclosure of the Mortgage because of these reasons, HUD/Rural Development will not be able to help you.

If the money received from the foreclosure sale is not enough to pay the remaining amount you owe on the Mortgage Loan, the Authority may obtain a deficiency judgment against you (a court ruling that you must pay whatever money is still owed on the Mortgage Loan after the foreclosure sale). Such judgment will be taken over by HUD/Rural Development if the Authority files an insurance claim against HUD/Rural Development because of the foreclosure. HUD/Rural Development may then bring an action against you to collect the judgment.

 **BORROWER:**

(x) _____

Name: _____

Date: _____

CO-BORROWER:

(x) _____

Name: _____

Date: _____

Original
signature(s)
required

**THIS DOCUMENT MUST BE EXECUTED BY BORROWER(S)
AT TIME OF LOAN APPLICATION**

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
ADFA ADVANTAGE
EXHIBIT 5-F**

**NOTICE TO MORTGAGOR OF POTENTIAL RECAPTURE TAX; OWNER
OCCUPANCY REQUIREMENT; PURCHASE PRICE LIMITS AND INCOME LIMITS;
FINAL SHIPPING DATE**

TO BE DELIVERED TO MORTGAGOR AT THE TIME OF APPLICATION FOR MORTGAGE LOAN

Because you are receiving a mortgage loan from the proceeds of a tax-exempt bond, you are receiving the benefits of a lower interest rate than is customarily charged on other mortgage loans. If you sell or otherwise dispose of your home during the next nine years, this benefit may be "recaptured." The recapture is accomplished by an increase in your federal income tax for the year in which you sell your home. The recapture only applies, however, if you sell your home at a gain and if your income increases above specified levels.

You may wish to consult a tax advisor or the local office of the Internal Revenue Service at the time you sell your home to determine the amount, if any, of the recapture tax. Upon the closing of your Mortgage Loan, you will be given certain additional information that will be needed to calculate the amount, if any, of the "recapture tax."

The undersigned mortgagor(s) is (are) aware that they must occupy the subject residence as their principal residence, or will do so within sixty (60) days of the date the mortgage is executed, and will maintain such property (or unit) as their principal residence and will do so until the loan is paid in full or assumed by a qualifying borrower. The mortgagor(s) is (are) also aware of the Purchase Price Limits and Income Limits as set forth in Schedule II & III of the Supplement to the Mortgage Origination Agreement.

**ALL FILES MUST BE CLOSED AND SHIPPED TO THE U.S. BANK HOME MORTGAGE COMPANY
THE MASTER SERVICER.**

The undersigned mortgagor(s) has (have) received and read a duplicate copy of the foregoing Notice to Mortgagor of Potential Recapture Tax, Principal Residence Requirement, Sales Price and Income Limits, and Final Shipping Dates.



MORTGAGOR:

(x) _____

Name: _____

Date: _____

CO-MORTGAGOR:

(x) _____

Name: _____

Date: _____

Original
signature(s)

Arkansas Development Finance Authority HOME
Investment Partnerships Program Homebuyer
Assistance Document Checklist

COMPLETE ALL FIELDS IN THIS BOX

Borrower: Phone#:
Buyer's Realtor's Name: Phone#:
Seller's Realtor's Name: Phone#:
Income Limit (maximum):\$ Household Size: COUNTY:
Borrower's Total Household Income: \$
Property Address:

Please send the following items to ADFA for review/approval prior to setting a closing date

Identify the closing agent/title company (this can be written in)

Notice to Homebuyer (Homebuyer may sign at closing) Should be an original signature(s)

N/A Application for HOME Assistance

Uniform Residential Loan Application (1003)

Loan Estimate (Dated within 3 business
days of application)

Commitment Letter from Mortgagee Same as DU

Verification of Employment/Income (current income/check stub) VOE or Verbal with 2
paystubs from the last 30
days

Can use Tax
Transcripts
and Wage and Income
statements from IRS
for the last 2 years

Federal Tax returns with W-2's for last two years (if applicable)

Real Estate Contract (executed copy) All Pages

Appraisal All pages

Homebuyer Counseling Certificate Signed by Home Buyer Counselor and good for 12
months from issue date

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
AMERICAN DREAM DOWNPAYMENT INITIATIVE (ADDI) HOME PROGRAM
Notice to Homebuyer**

You have submitted an application for a down payment assistance loan funded by the Arkansas Development Finance Authority (ADFA) through the HOME Investment Partnerships Program (HOME).

If this assistance to buy a home is provided, there will be special conditions in your agreement with us and in the mortgage securing our loan. These conditions are required by federal HOME Investment Partnerships Program ("HOME Program") regulations. We want to make sure you have been informed of the regulations, which are as follows:

- Qualified borrower(s)' household income cannot exceed 80% of Area Median Income by county adjusted for the number of persons in the household.
- The borrower(s) must attend an 8-hour ADFA-Approved Homebuyer Counseling Class
- HOME Program Regulations require the home to be owner-occupied as the borrower's principal residence during the "Affordability Period". The Affordability Period is as follows: Under \$15,000 – 5 years; \$15,000 to \$40,000 – 10 years. The down payment assistance loan will be forgiven in equal monthly installments during the Affordability Period.
- If you do sell the house within the Affordability Period, ADFA will recapture the amount of HOME funds that have not been forgiven during the Affordability Period from the net sales proceeds.
- Borrower(s) are responsible for satisfying all HOME Program regulation requirements during the Affordability Period, including proper maintenance of the residence and payment of all taxes and insurance. If you do not abide by the terms and conditions of the HOME Program, you will be in default and recapture or foreclosure proceedings may be initiated.
- In order to receive the assistance, you must execute a Promissory Note(s) Subordinate Mortgage(s) and HOME Homebuyer Downpayment Assistance Agreement. The Subordinate Mortgage will constitute a second lien, and any subordinate mortgage for rehabilitation, if applicable, will constitute a third lien.
- ADFA Inspectors will perform Housing Quality Standards (HQS) Inspections on all homes. **This is not intended to replace a home inspection by a state licensed home inspector.** If the home is pre-1978, ADFA will require a certified person or entity to perform a Lead-based Paint Inspection and Risk Assessment (if applicable) to determine if lead-based paint hazards are present. This must be addressed prior to closing the loan. There is no charge to the borrower(s) for these inspections. The Subordinate Mortgage will constitute a second lien, and any subordinate mortgage for rehabilitation (if applicable) will constitute a third lien.

By signing below, you understand each of the foregoing conditions and affirm that they have been fully explained to you.

 _____ Borrower	_____ Date	ADDI Application Exhibit but can be signed at closing. Original signature(s) required
_____ Borrower	_____ Date	
_____ Lender	_____ Date	

LENDER TO SIGN THIS FORM 

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

ADDI REQUIRED CLOSING DOCUMENTS

Mail To: Single Family AR Development Finance Auth. — P.O. Box 8023, Little Rock, AR 72203-8023

Name of Lending Institution	ADDI Number	
Mailing Address-P.O.Box or Street & Number	ADFA Lender Number	
F		
City/State/Zip Code	Telephone Number	Fax Number
Contact Person for This Loan	Email Address	

NAME OF BORROWER: _____
(Last Name) (First Name) (M.I.)

NAME OF CO-BORROWER: _____
(Last Name) (First Name) (M.I.)

PROPERTY ADDRESS: _____
(Street & Number) (As on Note and Mortgage)

(City/State/Zip Code)

PACKAGE TO INCLUDE: \$10 ADDI FUNDING FEE PAYABLE TO ADFA

Documents for closing package:

- ___ Original ADDI Promissory Note
- ___ Original recorded ADDI Subordinate Mortgage (or copy with the original to follow after recorded)
- ___ Original recorded ADDI Mortgage Subsidy Deferred Note Agreement (or copy with the original to follow after recorded)
- ___ Original ADDI Closing Disclosure (dated to follow TRID regulations)
- ___ Copy of title commitment
- ___ Copy of insurance binder to show ADFA as 2nd mortgagee (Mortgagee Clause: ADFA, ISAOA/ATIMA, 900 W Capitol Suite 310, Little Rock, AR 72201)
- ___ Copy of flood certification

**PROMISSORY NOTE – FORGIVABLE AND REPAYABLE
ARKANSAS DEVELOPMENT FINANCE AUTHORITY
HOME PROGRAM (ADDI)**

DATE: CLOSING DATE

FORGIVABLE: NUMERIC LOAN AMOUNT

FORGIVABLE SUM: ALPHA LOAN AMOUNT

FORGIVABLE INSTALLMENTS: 60 **INSTALLMENT AMOUNT:** LOAN AMOUNT
DIVIDED BY 60 =

FIRST FORGIVABLE DUE DATE: EXACTLY 30 DAYS FROM CLOSING
DATE

REPAYMENT N/A

REPAYMENT SUM: N/A

REPAYMENT INSTALLMENTS: N/A **REPAYMENT AMOUNT:** N/A

FIRST PAYMENT DUE DATE: NA

MAKER: BORROWER(S) NAME **COUNTY:** NAME

STREET ADDRESS: PROPERTY ADDRESS INCLUDING ZIP CODE

LEGAL DESCRIPTION: Attachment "A"

FOR GOOD AND VALUABLE CONSIDERATION RECEIVED, the undersigned, Maker, BORROWER(S) NAME promise(s) to pay to the order of ARKANSAS DEVELOPMENT FINANCE AUTHORITY, the sum indicated above with interest thereon at the rate of zero percent (0%) per annum for forgivable amount and one percent (1%) for repayable, without discount or defalcation, for repayment amount, due and payable in equal monthly installments as indicated above with the first of such installments becoming due and payable, as indicated, and a like installment, becoming due and payable on the same date each month for forgivable portion and each month for repayable portion, until the entire indebtedness, including all accrued interest, shall have been paid in full.

Maker shall have the right of prepayment at any time without interest penalty.

Both principal and interest under this note shall be payable at The Arkansas Development Finance Authority, 900 West Capitol Avenue, Suite 310, Little Rock, Arkansas 72203, or such other place as the holder may designate in writing.

The payment of this note is secured by a mortgage of even date herewith upon property situated in the indicated, NAME Arkansas.

In at any time, there shall be default in the payment of any installment aforesaid, or any part thereof, when due, the interest on the entire principal balance shall, at the option of the payee herein, without notice, be at the maximum legal rate until the default is cured. Upon the failure of the maker hereof to pay any installment of principal or interest when due, the holder hereof may accelerate this note and declare the total hereof immediately due and payable, without demand or notice.

The sureties, endorsers and makers of this note agree to and do hereby waive demand or presentation of this note for payment to the makers hereof and waive protest and notice of non-payment, and do hereby grant to any holder of this note the right to grant extension without notifying them, or either of them, hereby ratifying such extension and remaining bound on this note as if no extension had been obtained, and further agree to pay all costs and ten percent (10%) of the amount of the principal and accrued interest due as attorney's fees should it become necessary to take any action for collection of this note.

The Maker hereof agrees to indemnify the holder of this note for all costs and reasonable attorney's fees, which are incurred for services actually rendered in the collection of this note.

This forgivable portion of this note shall be forgiven in the amount of each month's installment as long as the marker hereof, for the following number of years, complies with the HOME Program Requirements:

- Five (5) Years – or amounts between \$1,000.00 and \$15,000.00. Forgiven in Sixty (60) equal monthly amounts.
- Ten (10) Years - for amounts between \$15,000.00 and \$40,000.00: Forgiven in One Hundred Twenty (120) equal monthly amounts.
- Fifteen (15) Years - for amounts of \$40,000.00 or more:. Forgiven in One Hundred Eighty (180) equal monthly amounts.

Should the Maker hereof become out of compliance with the HOME Program Requirements, (maintaining home as primary residence, non-payment of property taxes, failure to maintain property insurance, etc.) all forgiven payments will be reinstated to the debt and become due immediately.

ORIGINAL SIGNATURES REQUIRED!
RETURN ORIGINAL NOTE TO ADFA IN THE CLOSING PACKAGE

Maker, SIGNATURE

DATE



Maker, SIGNATURE

DATE

Legal Description required

Exhibit A

Legal Description

MORTGAGE

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
HOME PROGRAM (ADDI)**

THIS INSTRUMENT PREPARED BY:
ARKANSAS DEVELOPMENT FINANCE AUTHORITY
P.O. BOX 8023
LITTLE ROCK AR 72203-8023

Borrower name including spouse if married _____, MORTGAGOR

PRIMARY INDEBTEDNESS:
\$ NUMERIC LOAN AMOUNT

PRIMARY INDEBTEDNESS:
ALPHA LOAN AMOUNT

This Mortgage shall be forgiven in the amount of one-sixtieth (1/60) the Sum each month for five (5) years as long as the Mortgagor hereof complies with the HOME ADDI Program Requirements:

KNOW ALL MEN BY THESE PRESENTS:

That "MORTGAGOR", whether one or more, for valuable consideration, hereby grants, bargains, sells, conveys and delivers unto ARKANSAS DEVELOPMENT FINANCE AUTHORITY (hereinafter called "MORTGAGEE,"), and unto its successors and assigns, the following described property situated as indicated below, to wit:

LEGAL DESCRIPTION: Attachment "A"

This Mortgage also conveys all buildings and improvements now or at any time hereafter located on any land herein above described.

TO HAVE AND TO HOLD the same unto ARKANSAS DEVELOPMENT FINANCE AUTHORITY, and its successors and assigns forever.

And MORTGAGOR covenants with MORTGAGEE, its successors and assigns, that MORTGAGOR will forever warrant and defend the title to all said property against all lawful claims whatever.

PROVIDED, however, the foregoing conveyance is given as a Mortgage for the purpose of securing the following:

- (a) The Payment of a promissory note, of even date herewith, and all successive extensions and renewals of the indebtedness represented thereby, evidencing a principal indebtedness (which indebtedness, and all extensions and renewals thereof is hereinafter called the "Primary Indebtedness" as indicated above from date until maturity.
- (b) Also, the payment of all future and additional indebtedness, direct or indirect, created after the date of this mortgage, which may be owing by MORTGAGOR (or by any of the persons herein designated under the term ("MORTGAGOR") to the holder of the Primary Indebtedness at any time prior to the payment in full with interest of the Primary

Indebtedness or the foreclosure of this mortgage therefor (the event occurring first to be controlling); such additional indebtedness to be secured hereby regardless of whether it shall be predicated upon future loans or advances hereafter made by the holder(s) of the Primary Indebtedness, or obligations hereafter acquired by such holder(s) through assignment or subrogation or otherwise, or shall represent indirect obligations (created after the date of this mortgage) based upon any endorsements, guaranties or suretyship AND IT IS AGREED THAT THIS MORTGAGE SHALL STAND AS SECURITY FOR ALL SUCH FUTURE AND ADDITIONAL INDEBTEDNESS WHETHER IT BE INCURRED FOR ANY BUSINESS PURPOSE THAT WAS RELATED OR WHOLLY UNRELATED TO THE PURPOSE OF THE ORIGINAL LOAN, OR WHETHER IT WAS INCURRED FOR SOME PERSONAL OR NON-BUSINESS PURPOSE, OR FOR ANY OTHER PURPOSE RELATED OR UNRELATED, OR SIMILAR OR DISSIMILAR, TO THE PURPOSE OF THE ORIGINAL LOAN.

Also, the repayment to the holder(s) of the indebtedness secured hereby of all reimbursable expense at any time accruing to such holder(s) under the provisions of Paragraph (3) hereof.

Upon the payment of all such sums and compliance with the HOME ADDI Program Requirements for the period specified in the note, this Mortgage will become void and will be released by a proper marginal notation or, at the option of the holder(s) of the secured debt, by a release deed to be recorded at the expense of MORTGAGOR.

(1) MORTGAGOR agrees:

- (a) To pay, prior to delinquency, all taxes, special improvement assessments and other governmental charges against the mortgaged property, both real and personal, at any time levied or becoming due.
 - (b) To carry insurance upon all insurable property encumbered hereby against such hazards, in such amounts and under such form of policies, as shall be acceptable to, or requested by, the holder(s) of the indebtedness secured hereby; each insurance policy to carry mortgage clause in favor of such holder(s), and each policy to be delivered to and held by such holder(s). Also to carry public liability insurance and insurance against other hazards, to such extent as may be requested by the holder(s) of the secured indebtedness. In each instance, Mortgagor shall have the right to select the insurer, subject to Mortgagee's right to reject the proposed insurer for reasonable cause.
 - (c) To prevent the mortgaged property from becoming encumbered by any lien or charge having priority over, or on a parity with, the lien of this Mortgage; and to comply with all statutes, ordinances and regulations relating to such property.
 - (d) To protect the mortgaged property from waste, injury or unusual deterioration and, without subjecting the property to any statutory lien, to make all replacements and repairs necessary to keep the mortgaged property in good physical condition.
- (2) The holder(s) of the Primary Indebtedness or any future or additional indebtedness secured hereby (whether such indebtedness then be evidenced by the original note(s) or by any instrument(s) given in renewal or extension of such indebtedness) may, at the option of such holder(s), declare the entire unmatured portion of all indebtedness secured hereby to be immediately due and payable, and the same shall forthwith become immediately due and

payable (which acceleration of maturity may be accomplished without notice to anyone), in any one of the following events:

- (a) Upon the filing of a voluntary or involuntary petition to subject MORTGAGOR (or any party obligated as maker, endorser, surety or guarantor for the payment of the secured indebtedness) to any bankruptcy, debt-adjustment, receivership or other insolvency proceeding.
 - (b) Upon the occurrence of any event which, under the terms of the instrument at any time evidencing the indebtedness secured hereby warrants acceleration (at the option of the payee) of the maturity of said indebtedness.
 - (c) If default shall be made in the payment of any part of the principal indebtedness secured hereby as the same becomes due and payable according to the terms of the original note(s), or of any extension or renewal thereof at any time evidencing such indebtedness.
 - (d) If MORTGAGOR shall fail to comply with any of the agreements contained in Paragraph (1) of this mortgage.
 - (e) If at any time it shall appear that any financial statement or other representation made to obtain the loan secured hereby is materially incorrect or that MORTGAGOR'S title to the mortgaged property, or any portion thereof, is subject to any prior lien, title or interest not mentioned in this mortgage as a prior encumbrance.
 - (f) If at any time MORTGAGOR shall sell or convey the title to or any interest in any realty mortgaged hereunder without the prior written consent of the holder(s) of the secured indebtedness.
 - (g) If MORTGAGOR breaches the Mortgagor Mortgage Subsidy Deferred Note Agreement between MORTGAGOR and MORTGAGEE, it is particularly understood that the foregoing acceleration provisions will be applicable not only to the maturates recited in the original mortgage note(s) but also to any substituted maturates created by extension or renewal. The failure of the holder(s) of the secured indebtedness to declare any acceleration of maturates when a ground therefore exists, even though such forbearance may be repeated from time to time, will not constitute a waiver of the right of such holder(s) to accelerate maturates upon a reoccurrence of the same ground therefore, nor will the act of such holder(s) in remedying any condition resulting from MORTGAGOR's default bar the holder(s) from declaring an acceleration of maturates by reason of such defaults.
- (3) If the holder(s) of the indebtedness secured hereby shall expend any sum for the protection of any of the mortgaged property or the lien of this mortgage (such holder(s) to have uncontrolled discretion as to the necessity of making any such expenditures), the repayment of such sum or sums on demand shall be the personal obligation of MORTGAGOR; and such obligation to repay will constitute a part of the indebtedness secured hereby. The expenditures thus made reimbursable will include (without limiting the foregoing) taxes, special improvement assessments, insurance premiums, repairs and maintenance expenses, sums paid to discharge prior liens, etc. The cost of any abstract, title commitment, or appraisal procured by the holder(s) of the secured indebtedness to facilitate foreclosure will also constitute a part of the reimbursable expense secured hereby.

- (4) In the event of default hereunder the holder(s) of the indebtedness secured hereby shall be entitled to elect one of the following remedies:
- (a) Pursuit of any and all remedies provided by judicial proceedings and non-judicial remedies, including self-repossession, or at its option may;
 - (b) Foreclosure of this Mortgage in compliance with Act 53, "The Statutory Foreclosure Act of 1987" by public sale to the highest bidder for cash, on the premises or at the main door of the Courthouse of the County in which the subject real property is located, public notice of the time, terms and place of sale having been given thirty (30) days by publication in some newspaper, published in said County, once a week for four (4) consecutive weeks prior to the date of sale, the final publication to be no more than seven (7) days prior to the sale, which advertisement shall be sufficient for the purposes of foreclosure. THE OWNER OF THE NOTE SECURED HEREBY MAY BECOME A PURCHASER AT SUCH SALE. No bid shall be accepted that is less than two-thirds (2/3) of the entire indebtedness due at the date of the sale. Notice required under Act 53 of 1987 will be directed to the MORTGAGOR at the following address supplied by MORTGAGOR, to wit:
 - (c) Election of either (a) or (b) by MORTGAGEE is irrevocable and MORTGAGEE may not at any time subsequent to commencement of the proceedings terminate such proceedings and proceed with any other remedy.
 - (d) Such holder(s) may enforce the lien of this mortgage in respect to any or all property encumbered hereby (1) either separately or in bulk, in such order as MORTGAGEE, in its sole discretion, shall direct, including at any judicial or non-judicial sale; and (2) by proceedings that are prosecuted simultaneously or are prosecuted separately in such order as the holder(s) may elect.
- (5) MORTGAGOR releases all rights of dower, courtesy, homestead and appraisement hereunder and also releases unto MORTGAGEE all right of redemption under the laws of Arkansas, including particularly all right of redemption under Act No. 53 of May 8, 1989, and amendments thereto currently codified as Arkansas Code Ann. 18-49-106.

CLOSING DATE

EXECUTED on this _____ day of _____, 20__.

MORTGAGOR SIGNATURE
Printed Name: BORROWER NAME

MORTGAGOR SIGNATURE
Printed Name: SPOUSE IF MARRIED



ACKNOWLEDGMENT

STATE OF ARKANSAS

COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared BORROWER NAME
SPOUSE IF MARRIED known to be the persons whose names are subscribed to the foregoing
instrument as MORTGAGOR and acknowledged to me that they executed the same for the
purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of CLOSING DATE
_____, 20____.

My Commission Expires: _____

NOTARY PUBLIC

Legal Description Required

Attachment A

Legal Description

ADDI Deferred Note Agreement Example. Original recorded document to be forwarded to ADFA ADFA after closing.

**MORTGAGOR MORTGAGE SUBSIDY
DEFERRED NOTE AGREEMENT (ADDI)**

CLOSING DATE

THIS AGREEMENT made this _____ day of _____, 20____, by and between BORROWER AND SPOUSE
IF MARRIED (hereinafter referred to as the "Mortgagor" (whether singular or plural), and the Arkansas
Development Finance Authority hereinafter referred to as "Mortgagee".)

WHEREAS, the Mortgagee through the U.S. Department of Housing and Urban Development ("HUD"), pursuant to the HOME Investment Partnerships Act, 24 CFR Part 92, and hereinafter referred to as the HOME Program; and

WHEREAS, the Mortgagor acquiring the property described in Paragraph One (1) below, will be using funds provided by Mortgagee.

NOW, THEREFORE, in consideration of the mortgage subsidy provided by Mortgagee to acquire the following property; the Mortgagor covenants and agrees as follows:

1. Homebuyer Program funds in the amount of ALPHA LOAN AMOUNT
(\$NUMCBI) have been provided by Mortgagee to or for the benefit of the Mortgagor to acquire the property, (hereinafter called the "Property"), located at PROPERTY ADDRESS, in the City of INCLUDE ZIP, COUNTY NAME County, Arkansas, more specifically described as follows:

Legal Description: See Attachment "A"

2. The Mortgagor has entered into this Agreement for the purchase of a single-family property for use as their principal residence, and which involves financial assistance available through the MORTGAGEE HOME Program.
3. The Mortgagor agrees and acknowledges that the mortgage subsidy shall be in the form of a non-interest bearing, non-amortizing, forgivable loan, secured by a deferred Note and second mortgage agreement. The loan will be forgiven over sixty (60) months in accordance with the Promissory Note. This Mortgage Subsidy Deferred Note Agreement and Mortgage will be executed and recorded to secure payment of the federal funds provided in the event of default of any of the following provisions and restrictions:
 - a) The Property is subject to all affordability requirements under the HOME Investment Partnerships Program as contained in 24 CFR, Part 92, for a period of five (5) years from the date of execution of the Mortgage Subsidy Deferred Note Agreement and Mortgage.
 - b) The Property must be continually owned, occupied, and maintained by the assisted Mortgagor as their principal residence for the full five (5) year affordability period.
 - c) Mortgagor agrees that if the Property is sold, refinanced, subleased or otherwise conveyed without MORTGAGEE's prior consent or is not occupied as the Mortgagor's principal residence during the five (5) year affordability period, MORTGAGEE shall recapture the applicable pro rata amount of the total HOME funds provided for assistance.
 - d) The above affordability restrictions shall terminate upon occurrence of any of the following events: foreclosure, transfer in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD.
 - e) The acquired property must meet minimum Housing Quality Standards (HQS) prior to closing.

4. Mortgagor understands and agrees that the applicable pro rata amount of total HOME funds invested in the property is NUMERIC shall be repaid to MORTGAGEE if, within five (5) years of acquisition of the property, if the property is sold or otherwise transferred to any purchaser or transferee.
5. Mortgagor understands and agrees that this Agreement shall be recorded in the office of the Circuit Clerk, NAME County, State of Arkansas, and that this Agreement shall be a lien and encumbrance upon the title to this Property until released by MORTGAGEE or its Assigns.
6. It is understood that MORTGAGEE shall be entitled to any HOME Program proceeds recaptured under this Agreement.
7. Mortgagor agrees to have the HOME Program mortgage subsidy funds made payable to their Lender, in the event the Lender has advanced the Mortgage funds to accomplish the closing.
8. This Agreement and lien shall be binding upon the Mortgagor and their heirs, devisees, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the ____ day _____, 20____. CLOSING DATE

MORTGAGOR BORROWER NAME
Printed Name:

CO-MORTGAGOR SPOUSE IF MARRIED
Printed Name:



ACKNOWLEDGEMENT

STATE OF ARKANSAS

COUNTY OF

BEFORE ME, the undersigned Notary Public, on this day personally appeared, BORROWER NAME AND SPOUSE IF MARRIED, known to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he had executed the same as Mortgagor, with authority for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this ____ day of _____, 20____.

NOTARY PUBLIC

My Commission Expires:

Legal Description Required

Exhibit A

Legal Description



ARKANSAS DEVELOPMENT FINANCE AUTHORITY

MCC CONDITIONAL COMMITMENT TRANSMITTAL CHECKLIST

Auto populated fields when printed
from IRS

MCC Reservation Number: _____

Borrower: _____

Contact Person's Name: LENDER
CONTACT NAME

Co-Borrower: _____

Email: LENDER CONTACT EMAIL ADDRESS

CONDITIONAL COMMITMENT PACKAGE:

- ___ MCC Transmittal Checklist
- ___ Lender Loan Approval
- ___ Original executed MCC Disclosure (Exhibit C)
- ___ Original executed MCC Application for Conditional Commitment, Certifications & Affidavit (Exhibit B)
- ___ Most recent one year federal tax returns with all schedules for all occupants of home over 18 years of age. (Non-Targeted counties only)
- ___ Tri-Merge Credit Report
- ___ Verification of employment and current pay stubs for all occupants of home over 18 years of age
- ___ Original executed Non-Borrower Occupant Income Affidavit (Exhibit I), if applicable
- ___ Appraisal
- ___ Copy of completed loan application
- ___ Copy of fully executed Real Estate Contract
- ___ Original executed Notice to Borrower(s) of Potential Recapture Tax (Exhibit A)

*** ADFA must receive the commitment package within 30 days of reservation date***

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

Mortgage Credit Certificate (MCC) Program

Notice To Borrower(s) of Potential Recapture Tax

Exhibit A

NOTE: This notice is to be reviewed and signed by all borrowers at time of application.

Because you are receiving a Mortgage Credit Certificate (MCC) with your mortgage loan, you are receiving the benefit of a dollar for dollar credit against your federal income tax liability. As a result, pursuant to Section 143 (m) of the Internal Revenue Code of 1986 (the "Code"), if you sell, exchange or otherwise dispose of your home (Disposition) during the next nine years a portion of this benefit may be recaptured by the Internal Revenue Service. "Recapture tax" is the repayment of a mortgage subsidy to the Internal Revenue Service. (See IRS Pub. 523)

You may wish to consult with a tax advisor or the local office of the Internal Revenue Service at the time of disposition of your home to determine the amount, if any, of the "recapture tax" you owe to the IRS. At this point in time, there is no way to predict the amount of "recapture tax" borrowers may be required to pay. Also, ADFA will not calculate the amount of "recapture tax" you may owe upon disposition of your home.

Factors which affect "recapture tax":

1. No recapture due if your household income is below the Federal qualifying limits at time of sale.
2. You may be subject to the "recapture tax" if a disposition of your home occurs within the first full nine years of your mortgage loan.
3. In no event may the amount of Recapture Tax exceed fifty (50%) percent of the gain on the sale or disposition of the property. The Recapture Tax also will never exceed the original mortgage loan amount times the holding percentage period shown in # 4 below.
4. The holding percentage period is determined based on the length of time you own your home prior to its disposition. The percentages are as follows:

Year One *** 1.25%	Year Four **** 5.00%	Year Seven ***** 3.75%
Year Two *** 2.50%	Year Five **** 6.25%	Year Eight ***** 2.50%
Year Three ** 3.75%	Year Six ***** 5.00%	Year Nine ***** 1.25%

The maximum Recapture Tax amount is adjusted to reflect the holding period of the home that is financed. Other special rules may apply in particular circumstances, including, if you refinance your home. Again, we urge you to consult with a tax advisor or an office of the Internal Revenue Service if you refinance, sell or otherwise dispose of your home.

The Recapture Tax amount may also be reduced or eliminated based on a comparison of the Mortgagor's "modified adjusted gross household income" for the year in which the sale of the house takes place. The modified adjusted gross household income is equal to the federal adjusted gross household income increased by any earned tax exempt interest and decreased by the gain on the sale of the house. At closing, borrowers sign MCC Exhibit - P.

I understand and acknowledge the potential for Recapture Tax to apply to my Mortgage Credit Certificate as explained above.

(Borrower's Signature)

(Date)

(Co-Borrower's Signature)

(Date)

EXHIBIT A

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM**

Application For Conditional Commitment, Certifications & Affidavit

The undersigned hereby states and certifies as part of the application for a Mortgage Credit Certificate ("MCC") from the Arkansas Development Finance Authority ("ADFA") issuer, of such certificates under the Mortgage Credit Certificate Program, and as a material inducement to ADFA to issue such MCC to the undersigned in connection with the financing, through a lender of the undersigned's choosing, the purchase of a Single-Family Residence as follows:

Complete
all fields

Borrower Legal Name: _____

Co-Borrower Legal Name: _____

Current Address: _____

PURCHASER OF SINGLE FAMILY RESIDENCE CERTIFICATION

I will be the purchaser and mortgagor of a new ☐ or existing ☐ Single Family residence located at:

Check the appropriate box

Street Address: _____

City/County/ Zip: _____

I will use the proceeds of the mortgage loan to purchase a home which is ☐ is not ☐ located in a Targeted County. The home is a private Single Family residence and will be occupied by me and my family. Neither the home nor the land will be used to provide a source of income.

Check appropriate

PRINCIPAL RESIDENCE CERTIFICATION

I intend to occupy the home as my principal residence within sixty (60) days from the date of the mortgage loan closing, and I will continue to occupy the home as my principal residence as long as I own the property. I have no intention to sell, lease, rent, assign or otherwise transfer or dispose of the home. I will notify Arkansas Development Finance Authority (ADFA) immediately in writing if and when the home ceases to be my principal residence. I understand that any MCC issued in connection with the home will be revoked if the home ceases to be my principal residence.

NEW MORTGAGE CERTIFICATION

No part of the mortgage proceeds will be used to acquire or replace an existing mortgage, and I did not have a mortgage (whether or not paid off) on the home at any time prior to the execution of this mortgage. This does not include a construction loan, bridge loan, or other temporary financing with a term of 24 months or less.

FEDERAL TAX RETURNS

True and correct copies of the most recent one year federal tax return are attached to this Affidavit. These tax returns are primarily used to verify First Time Homeownership status and not to verify household income.

☐ I have **NOT** filed, and was under no obligation to file, Federal tax returns for the following tax year: _____
☐ I have filed Federal tax returns for the most recent tax year.

Current tax year required for MCC with W-2's and or 1099's. Can use Tax Transcripts and Wage and Income Tax Transcripts for current tax year.

NO PARTICULAR LENDER

I understand that I may seek financing for the first mortgage loan from any lender of my choosing provided that the lender has signed the MCC Lender Participation Agreement required by Arkansas Development Finance Authority.

Exhibit B

ACQUISITION COST CERTIFICATION

Sales Price

The acquisition cost of the home, including any personal property separately purchased at fair market value, but including fixtures, is \$ _____. Such acquisition cost reflects all amounts paid or to be paid in order to acquire the residence, plus reasonable costs of completing construction, if the residence is not finished, plus the capitalized value of ground rent, if the home is subject to a ground rent. The purchase price of the residence is as stated in the real estate contract. The real estate contract, and any other contracts and agreements in connection with the purchase and occupancy of the residence between myself and anyone acting directly or indirectly on my behalf and the seller, or anyone acting directly or indirectly on behalf of the seller are attached to this Affidavit. I understand that the applicable maximum purchase price allowable under the MCC Program is \$250,000, or an amount that will be set by ADFA from time to time.

FIRST-TIME-HOMEBUYER CERTIFICATION

Unless the residence is located in a Targeted County, I hereby certify that I have not had a present ownership interest in a principal residence at any time during the three (3) year period prior to the date of application for the first mortgage loan. To the best of my knowledge, the same is true with respect to each person (if any) purchasing and mortgaging the residence with me.

I understand that for purpose of the foregoing, examples of interests which constitute present ownership interest (and thus would result in my not meeting such requirement) are as follows:

- * A joint tenancy
- * A tenancy in common
- * A tenancy by the entirety
- * A fee simple interest
- * A life estate
- * A community property interest
- * The interest of a tenant shareholder in a cooperative
- * A land contract or contract for deed
- * A lease with the option to purchase for a nominal sum

INCOME CERTIFICATION

I understand that annual household income includes total gross income from all sources of all persons eighteen years of age or older that reside or intend to reside in the Single Family Residence to be financed with the proceeds of the mortgage loan. I certify that the gross annual household income is \$ _____. The total number of all persons who will reside or intend to reside in this Single Family residence is _____. The total number of all persons 18 years of age or older who will reside or intend to reside in this Single Family residence is _____.

Complete all
three fields

TRANSFER OF THE MCC

I understand that I can not transfer any MCC issued in connection with this residence to any person who assumes my obligations under the mortgage (and related mortgage notes) without the express written approval of ADFA. A new MCC may be issued by ADFA to such person(s) following completion of all necessary documents evidencing such persons qualification as an eligible mortgagor under the MCC Program.

CONSEQUENCES OF FALSE STATEMENTS

I acknowledge and understand that this Affidavit will be relied upon for purposes of determining my eligibility for an MCC. I acknowledge that a material misstatement negligently made by me in this application will constitute a federal violation punishable by a fine of \$1,000, and that a material misstatement fraudulently made by me in this Affidavit or in any other statement in connection with application for the MCC will constitute a federal violation punishable by a fine of \$10,000. Any misstatement will result in a denial of my application for an MCC, or, if the MCC has been issued prior to the discovery of the false statement, immediate revocation of the MCC will occur. I further acknowledge that if any information or certification I provide contains a material misstatement which is due to fraud, then any MCC issued will automatically become null and void without any need for further action on the part of the Arkansas Development Finance Authority.

I, Borrower(s) name(s), certify the information contained in this Affidavit to be true and correct to the best of my knowledge.

Borrower: _____

Date: _____

Co-Borrower: _____

Date: _____

Original
signature(s) required


ARKANSAS DEVELOPMENT FINANCE AUTHORITY
MORTGAGE CREDIT CERTIFICATE (MCC)
DISCLOSURE

STATE OF ARKANSAS)
COUNTY OF NAME)

MCC Reservation Number _____ MCC Loan # _____

1. I understand and agree that the Mortgage Credit Certificate (MCC) will be automatically revoked and I will no longer be entitled to claim the credit if I sell the single family residence or if I no longer use it as my principal residence.
2. I understand and agree that no MCC will be issued in connection with the replacement of an existing mortgage held by me on my principal residence.
3. I have been advised that the value of the MCC varies according to my Federal tax liability and acknowledge that I have been advised to consult a tax accountant for advice. I understand that neither ADFA nor the lender make any representations regarding the value of the credit to me. I understand that the MCC will reduce my Federal tax liability based on the amount of mortgage interest paid for the tax year.
4. I understand and agree that changed conditions in acquisition cost, household income, and other program requirements may disqualify me at closing from receiving an MCC although at the time of application I was eligible to receive a certificate.
5. I understand and agree that the lender will decide upon my eligibility to receive the mortgage loan and set all loan terms and that ADFA will not be involved in the credit process. I understand and agree that ADFA will not inspect the property for defects nor will ADFA underwrite the loan. I therefore agree to hold Arkansas Development Finance Authority harmless from any action or inaction on the part of the lender, seller, contractors or other involved parties.
6. I understand and agree that any material misstatement contained in this application and any other MCC Program documents negligently made by me constitutes a Federal violation punishable by a \$1,000 fine and that a material misstatement fraudulently made constitutes a Federal violation punishable by a \$10,000 fine and any other criminal penalty imposed by law. If such misstatement is discovered prior to the issuance of the MCC, my application will be denied. If such misstatement is discovered following issuance of the MCC, the MCC will be revoked.

I Borrower(s) Name(s) acknowledge that I have read and understand the terms stated above and that all information provided to the lender and ADFA is true and correct to the best of my knowledge.

 _____
(Borrower's Signature) (Date) (Co-Borrower's Signature) (Date)

 _____
(Notary Public's Signature) (Date)

(Expiration Date Of Commission)

Seal

EXHIBIT C

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
MORTGAGE CREDIT CERTIFICATE (MCC) PROGRAM

Non-Borrower Occupant Income Affidavit

Exhibit I

The undersigned, Name duly states under oath that:

1. I intend to be an occupant of the residence located at: Property Address

2. My gross monthly income is \$ fill in amount (Gross monthly income is the sum of monthly gross pay, any additional income from overtime, part-time employment, bonuses, commissions, dividends, income from assets, interest, royalties, shift differential, pensions, VA compensation, net rental income and other income such as alimony, child support, mileage, military allowance, public assistance, sick pay, social security benefits, unemployment compensation, income received from trusts and income received from business activities or investments).

3. The latest year Federal Income Tax Return is required.

I am providing tax return with W-2's attached for the following year: for current year

I have not filed, and was under no obligation to file, the following tax year : _____

4. (Check Appropriate Response). I have ☐ I have not ☐ had a present ownership interest check appropriate box
in a principal residence at any time during the three-year period prior to the date of executing the mortgage on the residence listed in paragraph 1 above.

I UNDERSTAND THAT FOR THE PURPOSES OF THE FOREGOING, EXAMPLES OF INTEREST WHICH CONSTITUTE A PRESENT OWNERSHIP INTEREST (AND THUS WOULD RESULT IN MY NOT MEETING SUCH REQUIREMENTS) ARE THE FOLLOWING:

- a. A fee simple interest;
- b. A life interest;
- c. A joint tenancy, a tenancy in common, or a tenancy by the entirety;
- d. The interest of a tenant-shareholder in a cooperative;
- e. A land contract (i.e., a contract pursuant to which possession and the benefits of ownership transferred although a legal title is not transferred until some later date);
- f. An interest held in trust for the mortgagor (whether or not created by the mortgagor) that would constitute ownership interest if held directly by the mortgagor;
- g. A lease with an option to purchase for a nominal sum; and
- h. An interest in a mobile home that has been, and is now, permanently affixed to real property.

Exhibit I

Page 1

EXAMPLES OF INTEREST WHICH DO NOT CONSTITUTE PRESENT OWNERSHIP INTEREST AND THUS WOULD NOT RESULT IN MY FAILING TO MEET THE REQUIREMENTS ARE AS FOLLOWS:

- a. A remainder interest;
- b. A lease without an option to purchase or a lease with an option to purchase at fair market value;
- c. A mere expectancy to inherit an interest in a principal residence;
- d. The interest that a purchaser of a residence acquires on the execution of a purchase contract;
- e. An interest in other than a principal residence during the previous three years;
- f. An interest in a mobile home that has not been, and is not now, permanently affixed to real property.

OCCUPANT _____

Name: _____
Date: _____

ACKNOWLEDGMENT

STATE OF ARKANSAS)
COUNTY OF _____)

On this _____ day of _____, 20____, before me, a Notary Public within and for said County And State, personally appeared _____ to me known to be the The person(s) subscribed therein and who, being by me first duly sworn, executed the foregoing "Occupant Income Affidavit", and acknowledged, deposed and said that he/she/they executed the same as his/her/their free act and deed and stated that the information and affidavit contained therein are true and correct.

IN WITNESS THEREOF, I have hereunto set my hand and seal this _____ day of _____, 20____.

Notary Public

My Commission Expires:

(Seal)

MCC Closing Package Stacking Order



ARKANSAS DEVELOPMENT FINANCE AUTHORITY

MCC CLOSING PACKAGE TRANSMITTAL CHECKLIST

MCC Reservation Number: _____

Borrower: _____

Co-Borrower: _____

Contact Person's Name: LENDER CONTACT
NAME

Email: LENDER CONTACT EMAIL ADDRESS

Auto populated fields
when using IRS

CLOSING PACKAGE:

- ___ Check payable to ADFA for fees. (MCC Issuance Fee .50% of loan amount and \$25 reservation fee)
- ___ Original Transmittal Checklist
- ___ Original executed Borrower's Closing Affidavit (Exhibit E)
- ___ Original executed Seller's Affidavit (Exhibit F)
- ___ Original executed Lender's Closing Certificate (Exhibit G)
- ___ Original executed Notice To Mortgagor For Determining If Recapture Tax Is Owed (Exhibit P), with applicable County Income Limit Page
- ___ Copy of Note
- ___ Copy of Mortgage/Deed of Trust
- ___ Copy of Closing Disclosure

ADFA must receive closing documents within 30 days of loan closing

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
MORTGAGE CREDIT CERTIFICATE (MCC) PROGRAM**

BORROWER'S CLOSING AFFIDAVIT

STATE OF ARKANSAS)
COUNTY OF NAME)

I, the undersigned, as part of my application for a Mortgage Credit Certificate ("MCC") from the Arkansas Development Finance Authority ("ADFA"), the issuer of such certificates under the Mortgage Credit Certificate Program, and as a material inducement to ADFA to issue an MCC to the undersigned in connection with the financing (the mortgage loan), through a lender of the undersigned's choosing for the purchase of a single family residence being duly sworn state the following:

I executed an Application For Conditional Commitment, Certifications & Affidavit (Exhibit B) as part of my application for a Mortgage Credit Certificate on Loan Application Date.

(Check and complete Section (a) or (b), whichever applies.)

Check appropriate
box

- (a) ☐ I have reviewed the aforementioned Application For Conditional Commitment, Certifications & Affidavit and declare there has been no change in the statements therein and said statements remain true and accurate as of the date hereof.
- (b) ☐ I have reviewed the aforementioned Application For Conditional Commitment, Certifications & Affidavit and declare that the following changes have occurred from the statements therein.

I acknowledge and understand that this Affidavit will be relied upon for purposes of determining my eligibility for an MCC. I further acknowledge that this MCC has been issued with reliance upon certifications contained in the Commitment Application and Affidavit, Sellers Affidavit and Lender's Participation Agreement stating that the requirements necessary for issuance of a qualified Mortgage Credit Certificate have been met.

I acknowledge and understand that any material misstatement negligently made in this Affidavit or any other statement made by me in connection with my application for an MCC will constitute a federal violation punishable by a fine of \$1,000, and that a material misstatement fraudulently made by me in connection with my application for an MCC will constitute a federal violation punishable by a fine of \$10,000 and revocation of the MCC and any other criminal penalty imposed by law.

Borrower: _____

Co-Borrower: _____

Subscribed and sworn to before me this _____ day of _____, 20 _____.

(Notary Signature)

Seal

(Commission Expiration Date)

EXHIBIT E

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

MORTGAGE CREDIT CERTIFICATE PROGRAM

SELLER AFFIDAVIT

(TO BE EXECUTED AT CLOSING)

STATE OF ARKANSAS)
County of Name)

I, the undersigned, as an essential participant in the application for a Mortgage Credit Certificate ("MCC") being submitted by Borrower(s) Name(s) ("the Buyer"), which MCC may be issued by the Arkansas Development Finance Authority ("ADFA") pursuant to the Mortgage Credit Certificate Program in connection with the Buyer's purchase of a qualified single family residence state the following:

1. I certify that I am the Seller of the subject qualified residence.
2. I certify that the total amount to be paid to me, or anyone acting on my behalf, in connection with the purchase of subject residence is \$ Sales Price, excluding all usual and reasonable settlement or financing costs.
3. I certify that the subject property is a qualified duplex and the structure was first occupied as a residence At least 5 years before the execution of the mortgage.

The residence is located in the State of Arkansas, County of Name at the following address: Complete
Street: _____, City: _____, AR Zip: _____ property
address

I acknowledge and understand that this Affidavit will be relied upon for the purpose of determining the Buyer's eligibility for a Mortgage Credit Certificate (MCC). I acknowledge that a material misstatement negligently made in this Affidavit or in any statement made by me in connection with the Buyer's application for a Mortgage Credit Certificate will constitute a federal violation punishable by a fine of \$1,000 and that a material misstatement fraudulently made by me in this Affidavit or any statement in connection with the Buyer's application for a Mortgage Credit Certificate will constitute a federal violation punishable by a fine of \$10,000, revocation of the Mortgage Credit Certificate and any other criminal penalty imposed by law.

 Seller's Signature: _____ Date: _____

Seller's Signature: _____ Date: _____

Subscribed and sworn to before me this _____ day of _____, 20____. 

Notary Signature: _____

Commission Expiration Date: _____

Seal

EXHIBIT F

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM**

LENDER CLOSING CERTIFICATE

I _____ ("Name of Lender") state the following: The Lender has received a Commitment Application and Affidavit submitted by:

Name _____ Name _____
("Mortgagor") ("Co-Mortgagor")

Compete all fields

SS# _____ SS# _____

The Application For Conditional Commitment, Certifications & Affidavit was submitted in connection with an application for financing ("the mortgage loan") of the purchase of a qualified single family residence located at:

_____, _____, AR, _____
(Street) (County) (Zip Code)

The Lender has also received and reviewed the Seller Affidavit submitted by the seller of the property shown above and finds no reason to question the truth or completeness of this Affidavit.

(Check Statement (a) or (b) regarding Federal Income Tax Returns)

(a.) ☐ The Lender has obtained a true, complete, signed copy of the most recent Federal Income Tax Return of the Mortgagors.

(b.) ☐ There is no requirement to obtain the Mortgagor's Federal Income Tax Return because the Residence is located in a Targeted County.

The Lender is not aware of any facts or circumstances that would cause it to question the truth or completeness of any portion of such Application For Conditional Commitment, Certifications & Affidavit. In the course of processing the documents concerning the Mortgagor's application prior to executing the mortgage, nothing has come to the Lender's attention which would lead it to believe that any information supplied by the Mortgagor's or any other party to this transaction is false or misleading.

After completion of all underwriting, investigation and verification the Lender has approved the mortgage loan in the amount of \$ _____ Loan Amount which is the Certified Indebtedness Amount. The property is a qualified single family residence located in the State of Arkansas, and the Borrowers have signed the Application For Conditional Commitment, Certifications & Affidavit (Exhibit B) in which he/she states that he/she intend to occupy the home as a primary residence within sixty (60) days from the date of the mortgage loan closing.

Is reasonably expected to become the Mortgagor's principal residence within sixty (60) days after the date of the mortgage loan closing.

AFTER REASONABLE INVESTIGATION THE LENDER HEREBY CERTIFIES THAT:

The financing which the Mortgagors have received has not been used to acquire or replace an existing mortgage or land contract on the residence, unless the previously existing mortgage was a construction loan, bridge loan or other temporary financing none of which had an initial term in excess of twenty-four (24) months.

The Mortgagors did not receive any portion of the financing of this mortgage loan from a tax exempt mortgage revenue bond loan.

To the best knowledge of the Lender, based upon reasonable investigation and verifications, neither the Lender, the Mortgagor's, nor the Seller of the residence have made any negligent or fraudulent, material misstatements in connection with the Mortgagor's application for a Mortgage Credit Certificate (MCC). The Lender has completed and attached to this certification the Mortgage Credit Certificate Program Data Summary (AR MCC007) and believes the information to be true and accurate.

By: _____ (Name of Loan Originator) Date: _____

Title: _____

EXHIBIT G

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
ADFA ADVANTAGE
EXHIBIT 7-P**

NOTICE TO MORTGAGOR OF INFORMATION REGARDING POTENTIAL RECAPTURE TAX

**TO BE DELIVERED TO MORTGAGOR AT TIME
OF SETTLEMENT OR ASSUMPTION OF MORTGAGE LOAN**

Your mortgage loan has been financed with the proceeds of a tax-exempt qualified mortgage bond. As a result, pursuant to Section 143(m) of the Internal Revenue Code of 1986 (the "Code"), you may, at the time at which you resell the residence financed by the Mortgage Loan, be subject to a special "recapture tax" for federal income tax purposes. You should consult you tax advisor at the time of resale by you of the residence to determine the amount, if any, of such "recapture tax." The following information will assist you in determining the amount, if any, of "recapture tax."

1. Name of Mortgagor: _____ Borrower name
 2. Name of Co-Mortgagor: _____ Co-mortgagor if applicable
 3. Date of Settlement of Mortgage Loan: _____ Closing Date
 4. Location of Residence: _____ Property address with zip code
 5. Residence is located in a Targeted or Non-Targeted area. _____
 6. Principal amount of Mortgage Loan on date of settlement: \$ _____ loan amount
 7. Federally subsidized amount pursuant to Section 143(m)(4)(B) of the Code (6.25%): \$ _____
- Multiply the loan amount by 6.25%. Result goes in this field

A. Introduction

1. **General.** When you sell your home you may have to pay a recapture tax as calculated below. The recapture tax may also apply if you dispose of your home in some other way. Any reference in this notice to the "sale" of your home also includes other ways of disposing of your home. For instance, you may owe a recapture tax if you give you home to a relative.
 2. **Exceptions.** In the following situations, no recapture tax is due and you do not need to do the calculations:
 - (i) You dispose of your home later than nine years after you close your Mortgage Loan;
 - (ii) Your home is disposed of as a result of your death;
 - (iii) You transfer your home either to your spouse or to your former spouse incident to divorce and you have no gain or loss included in your income under Section 1041 of the Code; or
 - (iv) You dispose of your home at a loss.
 same as #7 above
- B. Maximum Recapture Tax.** The maximum recapture tax that you may be required to pay as an addition to your federal income tax is \$ _____. This is 6.25% of the highest principal amount of your mortgage loan and is your federally subsidized amount with respect to the loan.

EXHIBIT 7-P

Page 2

- C. **Actual Recapture Tax.** The actual recapture tax, if any, can only be determined when you sell your home, and is the lesser of (1) 50% of your net gain on the sale of your home, regardless of whether you have to include that gain in your income for federal income purposes or (2) your recapture tax, determined by multiplying the following three numbers:

- (i) \$ same as #7 (the maximum recapture tax, as described in paragraph B above),
(ii) The holding period percentage, as listed in Column 1 in the Table. See page 4. (County Income Limit Sheet)
(iii) The income percentage, as described in paragraph D below. See page 4. (County Income Limit Sheet)

- D. **Income Percentage.** You calculate the income percentage as follows:

- (i) Subtract the applicable adjusted qualifying income in the taxable year in which you sell your home, as listed in Column 2 in the Table, from your modified adjusted gross income in the taxable year in which you sell your home. Your modified adjusted income means your adjusted gross income shown on your federal income tax return for the taxable year in which you sell your home, with the following two adjustments: (a) your adjusted gross income must be increased by the amount of any interest that you receive or accrue in the taxable year from tax-exempt bonds that is excluded from your gross income (under Section 103 of the Code) and (b) your adjusted gross income must be decreased by the amount of any gain included in your gross income by reason of the sale of your home.
- (ii) If the amount calculated in (i) above is zero or less, you owe no recapture tax and do not need to make any more calculations. If it is \$5,000 or more, your income percentage is 100%. If it is greater than zero but less than \$5,000, it must be divided by \$5000. This fraction, expressed as a percentage, represents your income percentage. For example, if the fraction is \$1,000/\$5,000, your income percentage is 20%.

- E. **Limitations and Special Rules on Recapture Tax.**

1. If you give away your home (other than to your spouse or ex-spouse incident to divorce), you must determine your actual recapture tax as if you had sold your home for its fair market value.
2. If your home is destroyed by fire, storm, flood or other casualty, there generally is no recapture tax if, within two years, you purchase additional property for use as your principal residence on the site of the home financed with your original subsidized Mortgage Loan.
3. In general, except as provided in future regulations, if two or more persons own a home and are jointly liable for the subsidized Mortgage Loan, the actual recapture tax is determined separately for them based on their interests in the home.

EXHIBIT 7-P

Page 3

4. If you repay your Mortgage Loan in full during the nine-year recapture period and you sell your home during this period, your holding period percentage may be reduced under the special rule in Section 143(m)(4)(c)(ii) of the Code.
5. Other special rules may apply in particular circumstances. You may wish to consult with a tax advisor or the local office of the Internal Revenue Service when you sell or otherwise dispose of your actual recapture tax. See Section 143(m) of the Code generally.

The undersigned Mortgagor(s) has (have) received and read a duplicate copy of the
forgoing Notice to Mortgagor of Information Regarding Potential Recapture Tax.

MORTGAGOR:

(x) _____
Name: _____
Date: _____

CO-MORTGAGOR:

(x) _____
Name: _____
Date: _____

Original Signature(s)